

"ment was made in good faith, without any knowledge as to location of any valuable timber (for of this I was as ignorant as I believe were the parties themselves), and was therefore impartial, they can now have no ground for complaint even though the hazard in the arrangement has, it would appear, turned out to be much more in favor of one than the other.

"It may be mentioned as additional ground for maintaining the course taken, that Mr. Adams has made a most costly survey, of which the returns have been filed, while the other party, the one that complains, has, so far as the department is aware, done nothing in this direction.

Respectfully yours,

"(Signed) LINDSAY RUSSELL,
" (Exhibit No. 9) Deputy of the
" Minister of the Interior."

This report, made by a gentleman who had no interest in the matter, proves conclusively that Mr. McCarthy and I went before the Deputy Minister and agreed that he should make the adjustment, both of us being in ignorance of the fact whether there was any timber or not. Mr. McCarthy endeavored to prove, and you tried hard to assist him in his dilemma, that the adjustment was made behind his back, and that I had taken advantage of him, but the report of Mr. Russell sets that at rest unless you can show that Mr. Russell's report was erroneous. Fortunately, however, we have other evidence to corroborate my statement in opposition to that of Mr. McCarthy. On the same day (August 31st, 1882) that Mr. Russell made his report, I addressed a letter from St. Catharines to him, which letter appears on page 22 of your compromise report, and which is as follows:—

St. Catharines 31st August, 1882.

My Dear Sir,—Seeing by the papers that you were likely to be away for a time, I thought I might venture to ask you to endeavor to settle the Adams matter and if possible sign the license before you left. I assume that Sir John will, without any hesitation, confirm what has been done, and order the license to be issued. You will recollect that after it was determined to give Adams his limit it was discovered that one prior, that of Laidlaw, had been applied for and refused for part of the

same ground. You then asked me to see McCarthy, who told me that there was no use in applying any further; that it would not be granted. I told him I was certain it could be done. He then went with me twice to your office, and agreed upon the boundary and told you he was perfectly satisfied. In fact Laidlaw was so well pleased he offered to pay me for my trouble. It seems very strange that they find no fault until now. They have made no survey, have done nothing, but on account of a piece in the Winnipeg paper, stating Adams had all the timber (which is not true) they make a fuss. I sent Laidlaw's letter to Sir John which particularly states he is willing to purchase from Adams, but does not complain of any injustice being done. I hope you will stand by the Order in Council and not let any of this baby play intervene to prevent justice being done. Please telegraph me if all right.

Faithfully,

(Signed) J. C. RYKERT.

A few days before writing this letter to Mr. Russell, I wrote to Sir John A. Macdonald, under date of August 28, 1882. (See report page 21) as follows:—

28th August, 1882.

My Dear Sir John,—Mr. Adams has made his survey in accordance with the Order in Council at an expense of \$5,000 in cash and I hope there will be no delay in having the license issued. Mr. Laidlaw has done nothing, has not made any survey, and now, through Mr. McCarthy, objects to Mr. Adams getting the license.

Before the Orders in Council were issued, McCarthy and I met Mr. Russell and we agreed upon the respective boundaries. Each party was quite satisfied. Mr. Russell will tell you that there was no mistake, no advantage taken, but everything done in good faith. It would be an outrage now to delay the license, especially after all the expense and trouble.

These letters not only corroborate the statement of Mr. Russell as to the matter being settled before the Order in Council was prepared, but show that McCarthy and I went to the Deputy Minister twice on the same business, which fact Mr. McCarthy denied under oath. You saw plainly from the evidence that Mr. McCarthy's recollection of the transaction was not very clear, yet you accept his explanation in op-